GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5331
ANSWERED ON:29.04.2002
INVESTMENT IN AGRICULTURAL SECTOR
RAJO SINGH

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government have formulated any scheme for increasing investment in the agricultural sector; and

(b) if so, the details thereof and the investment made in this sector during the last three years and projected for the next three years, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) & (b): The Government have taken a number of steps for increasing capital formation in agriculture. These, inter alia, include the following:

(i). The Finance Minister in his Budget Speech for the year 2002-03 has noted that the total credit flow to agricultural sector through institutional channels is expected to increase to Rs.75000 crore in 2002-03 from the level of Rs.64000 crore in 2000-01.

(ii). Specialized Agricultural Finance Branches (SAFB) by commercial banks for promoting investment in high tech areas such as aquaculture, floriculture, pisciculture etc., have been opened. So far 61 such SAFBs have been opened by the Public sector banks.

(iii). Rashtriya Krishi Bima Yojana has been launched to provide a comprehensive risk insurance to encourage farmers to increase investment in agriculture.

(iv). Rural Infrastructure Development Fund (RIDF) with NABARD has been set up to help the States in investing in rural infrastructure. The funds for RIDF VIII will be enhanced from Rs.5000 crores to Rs.5500 crores in 2002-03 while the rate of interest will be reduced from 10.5 percent in 2001-02 to 8.5 per cent in 2002-03.

(v). Micro-finance Development Fund has been set up in NABARD with a corpus of Rs.100 crores for scaling up the Self Help Group Linkage Programme and supporting other credit delivery models. The scheme of micro credit through Self Help Groups is targeted to cover 1.25 lakh families in 2002-03 as against 70 lakh families in 2001-02.

(vi). Watershed Development Fund has been set up with a corpus of Rs.200 crores with contribution of Rs.100 crore each from NABARD and Government of India.

(vii). Allocation of Rs.2800 crore is proposed in the year 2002-03 as against Rs.2000 Crore in the previous year for Accelerated Irrigation Benefit Programme (AIBP) to help the states in completing major and medium irrigation projects.

(viii). An outlay of Rs.164 crore is proposed to be provided in the year 2002-03 for electrification of villages under Accelerated Rural Electrification Programme (Interest subsidy scheme)

(ix). For construction of Rural Roads under Pradhan Mantri Gram Sadak Yojana an additional allocation of Rs.2,500 crore is proposed for 2002-03 over and above Rs.5000 Crore allocated so far.

National Accounts Statistics (NAS) compiled by the Central Statistical Organization (CSO) is the source of information on capital formation in the economy, including agriculture, at the national level. The gross capital formation in the sector, `Agriculture, Forestry & Fishing` for the years, 1998-99, 1999-2000 and 2000-2001, as estimated by CSO, are Rs.26714 crore, Rs.30252 crore and Rs.31630 crore respectively. The state-wise details of capital formation in agriculture and the projection thereof are not available.